United Nations E/C.16/2013/3

Economic and Social Council

Distr.: General
28 January 2013

Original: English

Committee of Experts on Public Administration
Twelfth session
New York, 15-19 April 2013
Item 3 (b) of the provisional agenda*
The role of responsive and accountable public governance in achieving the Millennium Development Goals and the post-2015 development agenda

Accountability of stakeholders in public governance for development

Note by the Secretariat

The present note is hereby transmitted in accordance with the proposed programme of work and agenda for the twelfth session of the Committee of Experts on Public Administration (see E/C.16/2013/1). Preparation of the paper was coordinated by Jan Ziekow, who also authored the introduction and section II, on "Accountability, its dimensions and types" and section III, on the "Significance of citizen engagement in public governance for development". Francisco Longo authored section IV, on "Accountability issues on public-private collaborations". The content of and views expressed in the paper are those of the authors and do not imply any expression of opinion on the part of the United Nations.

* E/C.16/2013/1.

13-21955 (E) 190213

Please recycle

Summary

The present paper highlights the important role of accountability as an indicator of the realization of democratic governance and as an instrument to improve the performance of institutions and the delivery of services. The authors also suggest that accountability has a dual role in public-private collaboration to assure all involved parties, including final users, namely, citizens, that the resources invested in the collaborative venture are well managed and wisely used, and to raise the awareness of managers of engaged organizations in order that they might better understand how the collaboration is being developed, which aspects should be taken greater care of and what opportunities there are for improvement.

I. Introduction

1. Accountability is a central element in recent discussions concerning good governance. It is not only regarded as an indicator of democratic governance, but also as an instrument with which to improve the performance of institutions and the delivery of services. In public governance, there is a clear link between accountability and citizens and a focus on the public interest and the citizens in whose interest State administration is exercised.[1]

2. It is often suggested in political debates that accountability is a magic formula for achieving fully democratic, effective, transparent and citizen-oriented governance. However, rather than solving problems, such suggestions are more likely to cover them up and create new problems.

3. Greater awareness is needed of the meaning of the term in its context, of the actors involved and their relationships and of accountability measures and the necessary tools for their implementation, if accountability is to contribute to the improvement of public governance. Since accountability is a highly context-specific concept, it should be tailored to the institutional, financial and social conditions of the respective State. While accountability primarily plays a supporting role in countries with strong and functioning institutional mechanisms, in developing countries there is a need for a more holistic approach.[2]

4. The section below outlines and illustrates the different levels and dimensions that determine the significance of citizen engagement for accountability.

II. Accountability, its dimensions and types

5. There are many different definitions of the term "accountability", some broad, some narrow. In its basic structure, accountability describes a relationship between two parties. In that relationship, on the one hand, the first party (in the case of public accountability, public institutions and public officials) is obliged to keep the other party (the public) informed about the fulfilment of its tasks, planning, actions and results and to explain all of these. On the other hand, the public may request information from and judge the behaviour of the first party, which is accountable to it. Furthermore, that judgement shall have consequences.[3] Single elements, such as obligation, information, judgement and consequences, can be designed as formal mechanisms or informal processes. In most definitions, such elements are merged into two dimensions: answerability and enforceability.

6. This basic, two-part model of accountability insufficiently reflects the complex reality of the various governmental, public-sector, economic and social actors. Relationships that establish accountability are also possible between several actors and in a multi-level approach. In that case, an actor who ensures the accountability

[1] Mark Bovens, "Analysing and Assessing Public Accountability, A Conceptual Framework", *European Governance Papers*, No. C-06-01, p. 11 (January 2006).

[2] Abu Elias Sarker and Mostafa Kamal Hassan, "Civic Engagement and Public Accountability: An Analysis with Particular Reference to Developing Countries", *Public Administration & Management*, vol. 15 (2010).

[3] Anne Marie Goetz and Rob Jenkins, "Voice, Accountability and Human Development: The Emergence of a New Agenda", United Nations Development Programme (UNDP) (2002).

of another will himself be held accountable by a third actor. Distinguishing these different relationships is not only an academic question, but one of crucial significance for the successful design of accountability.

7. For that reason, it is useful to further specify the several different types of accountability.

8. The term "horizontal accountability", in a State context, comprises the institutional control of governmental institutions by other governmental institutions through a system of checks and balances, and the oversight or control of governance by independent agencies.[3,4] Examples include the control of government through parliament, the review of the constitutionality of executive decisions by courts and the monitoring of public spending by audit institutions.

9. The term "vertical accountability" is understood as the relationship between State institutions and actors and external actors.[3] The instruments of vertical accountability include elections; the right of citizens, civil society and the media to demand information about governance; and the ability of the public to evaluate governmental actors.

10. The third type of accountability is "hybrid" or "diagonal accountability". In this model, external actors, who in vertical accountability hold governmental institutions to account, are included in relationships of horizontal accountability. This is realized primarily through the inclusion of citizens or civil society organizations in commissions or other entities designated as public institutions and charged with exercising control over governmental institutions.[4]

11. The hybrid type of accountability makes it clear that establishing accountability is not about formal concepts but about achieving a goal, which requires the concepts to be adapted to the relevant specific needs. However, that does not change the fact that accountability must be established on the basis of a clear analysis of who is accountable to whom and for what. Failure to do so could lead to ineffective constructs and to concepts being reduced to mere tokens.

12. Government institutions and public managers are regularly and often simultaneously confronted with horizontal, vertical and diagonal forms of accountability. The instruments used for establishing accountability have to be carefully differentiated, based on the type of accountability required and the type of forum by which accountability is requested. There is a significant difference in the instruments required based on whether accountability is part of public-private collaborations (see sect. IV) or of an entire system of government engaging its citizens (see sect. III).

[4] Seema Khan, "Topic Guide on Empowerment and Accountability", Governance and Social Development Resource Centre (March 2012); and Bhavna Sharma, "Voice, Accountability and Civic Engagement", UNDP (August 2008).

III. Significance of citizen engagement for accountability in public government for development

A. Accountability and the citizen

13. There is no doubt that citizens play a central role in public accountability. In the relationship of vertical accountability, they are the party that holds a government and its institutions to account. Vertical accountability also affects horizontal accountability, in which parliament acts as an interface. The elected parliament, locked in a relationship of vertical accountability to the citizens, holds the government and administration politically accountable through horizontal accountability. That connection of horizontal accountability with vertical accountability is reflected not only through general elections but also by the political pressure that citizens are able to exert on individual members of parliament and by the ability of citizens to monitor the members, inter alia, through requests for information about their work.

14. The problem, however, is that this theoretical connection often does not function sufficiently well to ensure accountability, especially in developing countries. Reasons for that include long intervals between general elections and weak monitoring instruments for any politically aware public and mass media, both of which inhibit effective vertical accountability. Other problems that inhibit the functioning of horizontal accountability include vote-rigging or -buying and clientelism within the political elites.[2]

15. There is therefore a need to build additional arenas to compensate for the weaknesses of institutionalized mechanisms of accountability. Traditional instruments, such as access to information and transparency, are often insufficient, because government and policy shortcomings can be tolerated, despite their not being accepted by the public. The approach of social accountability is widely accepted as a tool for bridging the gap left unsettled by such traditional instruments. The World Bank defines social accountability as an approach that relies on civic engagement, where ordinary citizens and/or civil society organizations participate directly or indirectly in exacting accountability. Mechanisms of social accountability can be initiated and supported by the State, citizens or both, but very often are demand-driven and operate from the bottom up.

16. That definition clearly shows that social accountability is not an independent type of accountability itself, but rather an approach to enhance the effectiveness of the aforementioned types of accountability. The concept of social accountability is therefore broader than but related to diagonal accountability.

17. While the vertical, horizontal and diagonal types of accountability focus on the respective actor to be held accountable, the focus of social accountability is on citizens, who, as actors, ensure accountability by their own actions.

18. This change in perspective extends the basic structure of accountability in that one party requests information and accountability from the other and, in exchange, provides evaluation. Social accountability initiatives can be organized in a top-down or bottom-up manner. If a government is interested in and acts to ensure the trust of citizens in its institutions, then confidence-building mechanisms must be at the top of its agenda. Social accountability is a component of network governance, on

whose implementation and success the government will ultimately be held responsible (see E/C.16/2012/2). An analysis of case studies reveals that a government must actively promote and possess a strong political will if implementation is to be successful.[2]

19. In that context, the successful institutionalization of the relationship is a crucial issue. Although such institutionalization is essential for the effective and sustainable strengthening of accountability, it does not necessarily have to be achieved by establishing a legal basis or by creating formal institutions. Instead, and above all, priority must be given to the creation of a political environment that is conducive to the firm embedding of social accountability processes.

20. However, social accountability must neither be made a purely top-down process by government actions, nor be misused as a strategy to marginalize bottom-up citizens' initiatives. Social accountability requires only the establishment by the State of a framework in which citizens' engagement can develop within an accountability relationship.

21. Furthermore, the institutionalization of social accountability must not undermine the constitutional and political responsibility of democratically legitimate bodies. Social accountability is a tool to enhance the responsibility and responsiveness of State bodies and to boost trust in the legitimacy of their actions. It must therefore neither run at cross purposes to those ends, nor lead to the establishment of concurrent institutions that undermine the authority of State institutions and mechanisms.

22. Such preclusions are especially valid given that social accountability depends more on strong civil society organizations that are capable of taking action than on the individual citizen. Such organizations may be based on direct civic legitimacy, but this is not true in every case. An organization could instead be an expression of processes leading to the concentration of social power or of external influences, for example, by foreign donors. Since it is necessary for civil society organizations to be ultimately accountable to citizens, even though in reality that is not always the case, awareness of the complementary but not substitutive functions of social accountability is important.

23. Social accountability depends on taking citizens seriously without blurring the boundaries of the responsibility of government institutions. In fact, the interdependency of the relationship is what enables citizens, especially the poor and underprivileged sections of the population, to increase their political awareness and articulate their interests, protect their rights and, eventually, pursue their right to demand accountability. In return, that awareness will stimulate learning and improvement processes in the State.

B. Citizen engagement for accountability in pursuing development goals

24. There are several reasons for including citizens in governance processes, including to deepen the democratic culture, to obtain information, to achieve a more targeted fulfilment of needs, to mitigate financial constraints and/or limited public sector competence for problem-solving and to reduce service costs through co-production. Those and other facets come under the scope of citizen engagement,

which includes the actions of the different actors who cooperate in different relationships with the government. A dialogue-based structure is crucial for citizen engagement.

25. Because of its holistic approach and its basis in communication channels and feedback loops between the State and the citizen, citizen engagement is the core element of social accountability. On the one hand, citizen engagement is a tool for improving accountability through social accountability, while on the other hand, continuous interaction enhances citizen engagement by producing accountability. Without the processes of accountability and government information that transparently shows how citizen inputs affect the engagement process, citizen engagement would go nowhere in the long term.

26. If citizen engagement actually produces social accountability, this set of instruments will be an important contributor to the achievement of the Millennium Development Goals and other goals identified for beyond 2015. Citizen engagement that is committed to supporting social accountability can enable the poorest and most vulnerable citizens to articulate their needs and thus help to improve public decision-making and public service delivery. Giving those people a voice and amplifying that voice institutionally is the overall purpose of social accountability.

27. This will only be successful if citizen engagement in social accountability relationships is not purely outcome focused. It is equally important to address accountability as a process, since the way in which disadvantaged citizens are given a voice and the way in which State institutions address the contributions of such people is essential for the success of social accountability. It is not sufficient merely to provide a platform for collecting the contributions of citizens. Citizen engagement is at its core dependent on transparency and freedom of information. Yet it is not enough simply to open up to marginalized communities, provide them with access to and the means of effective engagement and give them a voice. Providing only access to information confers an advantage on those sections of the population that already have a high level of information and are therefore able to use any additional information in a targeted manner. That would aggravate the existing problem of elite capture of the social accountability process.

28. A process-oriented approach to social accountability should therefore always have an element of empowerment. That means not only that citizens should be provided with information, but also that the meaning and possible consequences of such information should be explained to them in detail. Only under those conditions could disadvantaged people be given an active role in social accountability. Furthermore, it is necessary to strengthen the ability of that section of the population collectively to articulate its needs and outline its expectations regarding the responsiveness and actions of the State. A sustainable process of social accountability would not be achievable without simultaneously creating such a skills base.[2]

29. Other important criteria for the success of social accountability are the involvement of a plurality of citizens, civil society and organizations and the inclusion of different government actors. While it is true that national governments should be the main promoters of social accountability processes, it is not sufficient that such processes be dictated from the national level. There is an urgent need for the integration of subnational governments in such processes. That is especially true for local governments, which, more than any other governmental actor, have multiple informal and direct contacts with citizens and civil society.

30. Furthermore, the tools for constructing social accountability must be clearly defined. A strong commitment of all actors to social accountability and citizen engagement is necessary but insufficient. Instead, a precise selection of tools that facilitate easy access for the poor is required. That means incorporating methods that are easy to comprehend and manage and that simultaneously reduce the risk of elite capture in order to effectively create a sustainable process of accountability. That in turn implies the primary use of approved and established instruments, such as ombudsmen and audit institutions, and the promotion of diagonal accountability (see sect. II) in order to involve citizens. If such institutions are insufficient for establishing accountability, then additional instruments will need to be applied, for example, participatory budgeting, public expenditure tracking, citizen monitoring of public service delivery, citizen advisory boards and oversight committees, social audits, community scorecards or information technology tools. In doing so, those instruments should not be employed as a technocratic one-size-fits-all solution, but instead should be adapted to the political, cultural, social and financial conditions of a country.

IV. Accountability issues in public-private collaborations

31. Observers of the global public management landscape are witnessing an increase in the variety and complexity of the forms of public-private collaboration as a tool of public governance. However, our knowledge in the field of cross-sectoral collaborations is still developing and has yet to fully examine the many organizational forms that have emerged in recent years.

32. Over the past two decades, conventional bureaucratic solutions to the problems of government have been found increasingly wanting. Governments around the world have implemented many initiatives designed to access the human and material resources of the private and voluntary sectors. Within this context, inter-organizational collaborations have emerged as one of the most popular though controversial ways of applying cross-sectoral expertise on complex social issues.[5]

33. Public-private collaborations are commonly defined as long-term voluntary relations between public and private organizations concerning one or more areas of activity. Both parties regulate their projected future conduct by means of mutual forbearance and specified contractual mechanisms to jointly develop products and services and share risks, expenses and benefits.

34. Inter-organizational collaborations are considered a new way of meeting the challenges faced by today's public managers. Their increasing use is attributable to the tangible benefits that they arguably bring to all parties involved in a collaboration. It is believed that public-private collaborations can combine the strengths of the private sector, for example, innovation, financial capacity, knowledge of technologies, managerial efficiency and entrepreneurial spirit, and the social responsibility, environmental awareness and local knowledge of the public sector. One of the major challenges in making public-private collaborations work is ensuring that the potential complementarities of each partner can be successfully brought together.

[5] Graeme A. Hodge and Carsten Greve, "PPPs: The Passage of Time Permits a Sober Reflection", *Economic Affairs*, vol. 29, issue 1 (2009).

35. However, major issues regarding the development of cross-sectoral collaborations include how the public sector can ensure control over the product or the service to be provided and how public organizations can ensure the accountability of the partnership. To address those issues, it is necessary to reassess the concept of accountability in order to apply it to inter-organizational collaborations.

36. Traditionally, the concept of accountability has referred to the control of the actions of organizations or individuals to ensure their compliance with existing rules and regulations. Within the public sector, accountability has become fundamental to ensure the optimal use of public resources. However, when applied to public-private collaborations, this generic perspective has failed to cover the responsibilities of each party involved in the collaboration.

A. Accountability in collaborative public management

37. Accountability can be defined as the ability to obtain timely and accurate reporting and to use that information to evaluate performance.[6] The multi-party, non-hierarchical nature of such evaluations is an aspect of collaboration that is of great concern and has received little attention.

38. The rise in collaborative public management has demanded increased research on collaboration, negotiation and accountability. While there is plenty of room for further research in these areas, important advances have occurred in recent years. However, research on the accountability of government interaction with social and economic actors is far less developed and the few studies that have been conducted do not examine collaborative public management specifically, but rather public network management and subcontracting. Yet, in addition to the inclusion of social agents in the decision-making process, collaborative public management requires accountability with regard to the implementation of agreed policies. Accountable collaborative public management must provide timely and accurate reporting to all parties involved in the agreement so that they can use that information to evaluate performance.[6]

39. The use of public resources to develop projects with private participation heightens the importance of accountability in public-private collaborations. While all organizations engaged in any collaboration will share its main objective, it should be considered that each organization will also have its own interest. Accountability is fundamental to ensuring that the achievement of the main objective is not eclipsed by the different interests of the engaged organizations.

40. It has been standard practice to consider the accountability of public organizations, when collaborating with private actors, to end once a project is awarded to a private actor. In other cases, accountability has been developed by the public sector in a purely highly hierarchical way, as in a principal-agent relationship, where the principal must ensure the correct development of the project by the agent. These perspectives maintain the concept of control in which private organizations interacting with public bodies are ultimately controlled by governments.

---

[6] Barbara S. Romzek and Jocelyn M. Johnston, "State Social Services Contracting: Exploring the Determinants of Effective Contract Accountability", *Public Administration Review*, vol. 65, No. 4 (2005).

41. However, the connection between accountability and the outcomes and outputs of a public-private collaboration should apply to all actors of that collaboration, since the possible risks and expected benefits are shared. The actions of public and private organizations engaged in inter-organizational collaborations produce important consequences for the area in which the collaboration is developed. It is therefore essential to emphasize the joint responsibility of each member of the collaboration to ensure its correct development. That is not an easy task, since public-private collaborations must be accountable to all stakeholders, such as employees, consumers, suppliers, local communities, policymakers and society at large. Private organizations engaging in such collaborative ventures should therefore acknowledge accountability as part of the corporate mandate.

B. Performance of public-private agreements

42. Performance, the underlying concept of accountability, is a developing area of inter-organizational relations, partnerships and networks. Studies in this area have shown that the concept of performance in inter-organizational collaboration is far from simple, particularly when collaboration agreements are transformed into multi-agency policies. When programmes involve multiple parties to an agreement, rather than one-size-fits-all performance indicators, all parties should be involved in establishing accountability and combining resources to achieve a negotiated end state. Moreover, assessments can be made at different levels, using different criteria and in reference to different actors.[7]

43. The most obvious definition of performance, the achievement of previously defined goals, must be adapted when referring to inter-organizational arrangements, since these involve different participants with different goals and no central actor is solely responsible for the goals. Moreover, in inter-organizational partnerships and networks, partners modify their goals as the interaction unfolds. The evaluation of performance in relation to predefined goals therefore becomes problematic for three main reasons:

(a) Inter-organizational level goals may not exist;

(b) Organizational level goals will differ among partners;

(c) Partners may modify their organizational and inter-organizational level goals as the interaction evolves.

44. To overcome these issues, some studies[8] have used the ex-post judgements made by actors concerning processes and tangible outcomes as the evaluation criteria to capture the performance of the collaborative agreements.

45. A related issue is the level of analysis at which performance is evaluated. Three such levels have been identified as the individual person, the partner organization and the inter-organizational alliance or partnership.[9] The five different

[7] Robert D. Behn, *Rethinking Democratic Accountability*, Brookings Institution Press (Washington, D.C., 2001).

[8] See Robert Agranoff, "Enhancing performance through public sector networks: mobilizing human capital in communities of practice", *Public Performance and Management Review*, vol. 31, No. 3 (2008).

[9] Colin Eden and Chris Huxham, "The negotiation of purpose in multi-organizational collaborative groups", *Journal of Management Studies*, vol. 38, No. 3 (2001).

perspectives from which to assess a collaboration have been identified as the degree of problem resolution, trust generation, creation of shared meaning, increased relational density and power redistribution.[10] In public-related networks, a fourth level of analysis is the social environment of the undertaking. Assessing networks at this broader level is relevant in public, non-profit and cross-sectoral networks. The four levels of assessment have been identified as the community served by the inter-organizational set, the inter-organizational set itself, the separate organizational members and participating individuals.[8]

C. Difficulties of measuring accountability

46. Managing accountability in public-private collaborations combines the difficulties of being accountable to society at large, since public organizations are involved, and those that emerge as a result of being accountable to a large number of different stakeholders of each organization engaged in the collaboration. As a consequence, monitoring the compliance of the different interests within a public-private collaboration becomes equally important and challenging. Monitoring accountability in public-private collaborations has been described as tremendously demanding because of the lack of both performance information and access to performance data, the sectoral and personal differences regarding performance and collaboration and the frequent changes in personnel, resource commitment and composition of partners.[11]

47. Furthermore, when public or private organizations assess whether they have developed their projects cost-effectively and have achieved satisfactory quality results, they can clearly monitor their processes since the results are effectively identifiable. In that respect, it has been argued that accountability in public-private collaborations depends heavily on anticipating the ex post issues and relationships.[12] It also depends on procedures and decision rules embedded in the agreement. However, assessing the success of public-private partnerships does not have to wait until the termination of the agreement. The quality of services can be compared with past performance, that of other partnerships or the performance standards established in the public-private partnership. However, public-private collaborations often do not have such clearly identifiable results, since they are usually long-term projects responding to issues of high complexity.

48. A first milestone for the satisfactory development of accountability measures in public-private collaborations is therefore the setting of measurable objectives, not only at the end of the project but also at its midterm, that would help both parties to assess how the collaboration is being developed. Goals in public-private collaborations should act as a guide for decision-making and a reference standard for evaluating accomplishment. However, for such goals to be met, it is important that managers are not pressured to meet too many objectives or deliver instant results.

---

[10] Barbara Gray, "Assessing inter-organizational collaboration", *Cooperative strategy — economic, business and organizational issues*, Oxford University Press (New York, 2000).

[11] Muhittin Acar, Guo Chao and Yang Kaifeng, "Accountability — when hierarchical authority is absent: views from public-private partnership practitioners", *The American Review of Public Administration* (2008).

[12] John Forrer, James E. Kee, Kathryn E. Newcomer and Eric Boyer, "Public-private partnerships and the public accountability question", *Public Administration Review* (2010).

49. Multifaceted public-private collaborations can frequently represent an unexpected and possibly unwelcome inheritance for new managerial teams, especially in the public sector, where accountability pressures are greater, as the user is the citizen. This places greater pressure on the respective partners to sustain a broad agreement on the means and ends of the collaboration than there would be in a typical contracting arrangement, in which the parties would be able to look to the original contract specification as a basis for renegotiation.

50. Despite their potential advantages, collaborations that bring together actors from the public and private sectors can present tensions, such as:

(a) Differences of problem definitions, namely, political risks of government versus market risks of business organizations;

(b) Government reluctance with regard to process and result versus private party reluctance with knowledge and their own effort;

(c) Confrontation leading to a mutual locking of agreements and to the adoption of tried-and-tested types of cooperation using contracts.

51. Such tensions can therefore cause collaborations to fail to create added value through cross-sector interaction. Tensions should be managed in order to avoid hindering the development of the collaboration.

52. In order to enhance accountability in public-private collaborations, organizations should reinforce informal and formal control mechanisms. In public organizations, such mechanisms have been linked with high levels of bureaucracy. However, one of the advantages of public-private collaborations is that control can be used to avoid many existing written procedures in order to gain flexibility and improve performance, provided it does not conflict with the procedures that are needed to ensure accountability. In that respect, public-private collaborations should not merely replicate the accountability measures normally used in public organizations, but take the opportunity to develop better accountability measures that require less bureaucracy and fewer resources to be carried out. Public organizations should merge their capabilities with private actors to develop accountability frameworks that would satisfy the configuration of stakeholders of each collaborative project.

53. Accountability has a dual role in public-private collaborations. It is used to reassure the parties involved, including citizens as the final users, that the resources invested in the collaborative venture are well managed and wisely used. It is also used to raise the awareness of managers of engaged organizations in order that they might better understand how the collaboration is being developed, which aspects should be taken greater care of and the opportunities for improvement. Managing public-private collaborations is tremendously challenging. In that respect, accountability can be the best ally for the success of such ventures.